

EXHIBIT 15

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PREB Halts Energy Efficiency Charge as Legislature Moves to Amend Legislation Changing Energy Efficiency Policy as It Relates to Utility Regulator's Mandate

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Relevant Document: [Press Release](#)

The Puerto Rico Energy Bureau approved a resolution Thursday afternoon halting a planned energy efficiency charge set to take effect Nov. 1 in the face of criticism by Gov. Wanda Vázquez and other political leaders. Three members voted in favor of the resolution and one against it, according to a PREB press release. PREB Chairman Edison Avilés said the move was aimed at "giving space to the Legislature" to amend legislation that establishes the public policy of energy efficiency related to the PREB's mandate.

The move comes after the Puerto Rico Senate this afternoon passed new legislation ordering the PREB and the Puerto Rico Electric Power Authority to repeal the planned energy efficiency charge. House Economic Development, Planning, Telecommunications, Public-Private Partnerships and Energy Committee Chairman Victor Parés has slated a public hearing on the matter for Oct. 25. Avilés said he discussed with Parés the lawmakers' plan to amend the public energy policy legislation.

Also today, Vázquez reiterated her opposition to the energy efficiency charge but said it would be "speculative" at the moment to state her position on a "transition charge" of about 3 cents per kilowatt hour that is part of the [proposed restructuring](#) of PREPA's debt. PREPA Executive Director José Ortiz said the proposed transformation of the government utility contains several initiatives that could achieve savings of up to 6 cents per kWh, which should offset the debt securitization costs. The comments were made during a press conference to discuss Puerto Rico's \$20.3 billion [GridMod Plan](#) to reconstruct its electric system, with between \$13 billion and \$14 billion of the financing expected to be covered by federal disaster funding, according to officials.

The governor indicated that the transition charge issue is not currently before her consideration and she would have to see what is finally approved by the Title III court, but she reiterated her opposition to funding an energy efficiency program that costs \$13 million annually through the rate hike that was approved, and now shelved, by the PREB.

"Increases at this moment are unacceptable," she said of the proposal. "Because the bureau is independent, I can't order this reduction. I hope that it is reconsidered and ... that members of the bureau look for alternatives that are not increases to consumers. We would be opposed," she said, adding that she hopes the PREB acts before Nov. 1 when the charge, which would fluctuate between 64 cents and \$1.79 a month for clients, was set to go into effect.

Ortiz mentioned several initiatives that will drive down energy costs, including a renegotiation of a power purchase agreement with the private EcoElectrica natural gas power plant, converting the San Juan and Mayaguez plants to natural gas and building a new power plant at the Palo Seco site.

"Obviously, we are going to start paying our debt at some point next year and taking action to stabilize the pension system," which will pressure rates upward, Ortiz said, but he added that PREPA's "many projects" will help drive rates down. He acknowledged that factors outside PREPA's control - such as oil prices and outmigration - could drive up PREPA rates to 25 cents per kWh, but with an economic stabilization on the island, the target rate of 20 cents per kWh or less should be achieved.

Puerto Rico Senate Bill 1427

Puerto Rico Senate Bill 1427 was drafted and filed on Oct. 23 following publication of a PREB resolution approving the energy efficiency charge fluctuating between 64 cents and \$1.79 a month. The bill was lodged by New Progressive Party Sen. Miguel Romero with input from the Puerto Rico Senate's Special Committee on Energy Affairs Larry Seilhamer.

"We in the Senate support an independent regulator provided it follows established public policy," Romero said.

As originally filed, SB 1427 called for amendments to sections of Act 57 of 2014 and Act 17 of 2019 to establish that reaching a goal of 30% energy efficiency by 2040 should not entail rate hikes for PREPA clients. However, the bill as amended on the floor of the upper chamber appeared to strike Act 17's energy efficiency section entirely, with Seilhamer signaling it would be reworked, and potentially expanded, through future legislation. A copy of the bill with the floor amendments incorporated was not available at press time.

"We are not undermining the essence of Act 17 or the call from Congress for an independent energy regulator," Seilhamer said during the debate on SB 1427 in the upper chamber this afternoon.

Seilhamer, the Puerto Rico Senate vice president, said the measure "clarifies the spirit of the law" by ensuring that PREPA consumers would not foot the bill for the implementation of energy efficiency policy. He said the "spirit and intention" of Act 57 and Act 17 was "never to raise rates for consumers."

"We're stating clearly on the record here that there will be no PREPA rate hike for energy efficiency implementation," Seilhamer said, adding that once the bill clears the Puerto Rico House of Representatives and is enacted by Vázquez, the regulator "would then have to comply with public policy as established by law."

Seilhamer said the aim would be to seek a more comprehensive energy efficiency mandate once PREPA's integrated resource plan is approved by the PREB, signaling that the legislature could then be required to fund energy efficiency efforts. The Senate vice president stressed that the legislature is not "abandoning" energy efficiency, saying reaching the 30% goal would represent \$1 billion in savings of funds that would not have to be invested in generation. "That goal may be expanded even to 40%," he added.

"It would be unjust not to recognize the work of the Puerto Rico Energy Bureau," Seilhamer said, crediting the regulator for prompting PREPA to give credits to consumers who were "overcharged" in the aftermath of Hurricane Maria. "Do you think PREPA would have granted those credits without the regulator? We all know the answer to that," Seilhamer said, adding that the provisional adjustments have saved him between \$5 and \$7 a month on his recent power bills.

Popular Democratic Party Sen. Rossana López linked the debate over the energy efficiency rider to the transition charge contemplated in PREPA's restructuring support agreement, which she said is designed to guarantee "billions in bond payments to vulture funds."

"We should be looking at that now and finding ways to stop it," López said.

PDP Sen. Cirilo Tirado blasted SB 1427 as a "politically expedient and reactionary" measure aimed at evidencing "quick action" and "grabbing headlines" in the face of public criticism of the energy efficiency charge. He said the existing energy efficiency goals had been established thoughtfully.

"There are three kinds of legislation - good, bad and hypocritical," Tirado said. "This is the hypocritical kind, and I'm not going to play that game."

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